



5-year Review

The International Centre for Venture Expertise (ICVE) at the University of Victoria Faculty of Business is now entering its sixth year of operation. The mission of the centre is as follows:

The International Centre for Venture Expertise will be the recognized leader in advancing expertise based entrepreneurship research, world-class curriculum design and delivery, and the creation of entrepreneurship technology and specialized programs, to improve the economic security and sustainability of venturing for entrepreneurs world-wide. The Centre strives to be a catalyst for renewed entrepreneurial spirit that emanates from Canada throughout the world, and furthers the goals of prosperity, humanity, and personal liberty in the global community.

Our objectives are threefold:

Research: We will be the lead institution for the advancement of research on venture expertise world-wide.

Teaching: We will create and provide world-class curriculum design and delivery that incorporates up-to-date entrepreneurship research and knowledge.

Outreach: We will share our accumulated expertise with local, regional, and international partners to deliver benefits directly into their communities.

ICVE exists to accomplish these objectives and position the University of Victoria Faculty of Business as a school of importance in the growing field of entrepreneurship. Often we have “practiced what we preach” by being creatively entrepreneurial in our approach to acquiring and maximizing the needed resources to enable us to pursue these goals. The initiatives undertaken to date have been designed to meet the needs of a broad range of stakeholders who can benefit from the Centre’s creation and growth. In addition to the Faculty of Business, these stakeholders include individual entrepreneurs, corporate entrepreneurs, the greater academic community and society at large.

The centre’s funding has first and foremost emerged from outreach programs developed and delivered through the auspices of the ICVE. In the report “Strategies and Best Practices of Entrepreneurship Centres” (Menziez, 2002), which looked at 23 university-based entrepreneurship centres across Canada, ICVE was identified as the *only* centre to rely solely on revenue generated from outreach programs for its funding. The revenue captured from outreach programs is used to support our objectives; as we need more revenue, we have historically added more outreach programs. This revenue has funded the full-time position of the Entrepreneurship Program Coordinator / Centre Manager, enabled us to provide software to students via a dedicated website, and to underwrite ancillary costs for the Entrepreneurship Program. We also return a portion of surplus revenue to the Faculty of Business.



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ICVE History and Activities

1997: Task force created to establish the International Centre for Venture Expertise (ICVE). Community service contributions of Dr. Eric Morse, Dr. Ron Mitchell, Dr. Brock Smith, Mr. Brian McKenzie, Ms. Charmaine Stack and other faculty and staff, under the direction of then Dean Roger Wolff, critical to its establishment.

Focus in 1997 was on development of the centre's core competencies: entrepreneurship education and research. This was the first year that the integrated, full-immersion Summer Entrepreneurship Program was offered. Teaching Team meetings were held constantly to tweak the delivery of the curriculum. While the program was being refined, ICVE also took on the task of producing and editing the Academy of Management Entrepreneurship Division quarterly newsletter, helping to establish our presence in the academic community. In addition, numerous papers were under review, accepted or presented.

Community education initiatives were undertaken to foster credibility within the local community and provide funding for the centre's activities, including successful delivery of the Youth Environment Entrepreneurship Program (partnered with Continuing Education, Student Resource Group, Innovation Development Centre and Business Co-op), the first of four annual Entrepreneurship Educators' Workshops (EEW) for high school teachers, and development of an online curriculum resource for Entrepreneurship 12 lessons (ECOLE). We worked closely with Lambrick Park and Parklands Schools and maintained close contact with the Ministry of Education and Centre for Curriculum and Technology Transfer as the provincial Entrepreneurship 12 curriculum was rolled out. Proposals were also developed for aboriginal initiatives and a self-employment assistance program with Island Streams. Partnerships with Junior Achievement (JA/SEP) and ViaTec were strengthened.

1998: We continued a number of our successful programs and partnerships, including editing the AoM Entrepreneurship Division Newsletter, EEW, and ECOLE. The Canadian Youth Business Foundation was launched locally (with 200 people in attendance) and Brian McKenzie served as its coordinator in Victoria, providing mentoring and low-interest loans to young entrepreneurs. We also assisted the Executive Education Program to provide a week-long program for the China Macro Economic Society; developed a beta version of ENT 12 curriculum for Claremont Secondary School to be placed on their website; introduced the Venture Analysis Standards 2000 initiative to the USASBE Annual conference; contracted to develop a customized community entrepreneurship curriculum for the Greater Vancouver Venture Centre (which they will use to train clients); and launched the first of six successful self-employment assistance programs for underemployed fishers. ICVE directors made numerous presentations (i.e. McGill University Global Entrepreneurship Conference, MBA for a Day, BCom Student for a Day, Royal Bank in Toronto, Italy's Youth Entrepreneur Company, BC Ministry of Small Business, Burnaby Board of Trade, Industry Canada, First Nations committees, Fu Jen University and other Taiwanese and Chinese sites, Academy of Management, South African delegation, and CCSBE re: New Venture Template). We provided support to the Faculty of Business: coordinated the summer entrepreneurship program, organized (with Business Co-op) a Networking Breakfast for students, organized a two-day student Venture Capital Conference, established linkages with the UVic Law Clinic, processed



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COM 205 course credits for hundreds of students who had not completed their requirements, re-vamped the COM 205 curriculum, and designed a database for the MBA Program.

1999: During this year, “The International Centre for Venture Expertise a Faculty of Business Supporting Outreach Society” was registered and incorporated under the British Columbia Society Act separate from the University, giving us added flexibility in pursuit of our mission. At the time of incorporation, centre roles were defined as follows: Administrative Director Eric Morse, Research Director Ron Mitchell, Initiatives Director Brian McKenzie, and Manager Charmaine Stack. Founding directors were: Roger Wolff, Pat McLaren, David Schneider, Paul Starita, Anne Sutherland and Patrick Trelawny.

In May, we hosted Enterprise Edge 99, a national youth entrepreneurship conference supported by the Royal Bank and Human Resource Development Canada. This highly successful conference attracted over 500 delegates from across Canada, the US, Caribbean and Europe. The keynote speaker at the conference was pollster Angus Reid. B.C.’s Minister of Small Business, Ian Waddell, used this highly publicized event to announce the expansion of the province’s commitment to supporting youth entrepreneurship.

The Entrepreneurship Division of the Academy of Management, the most influential professional body in management education and research, presented the UVic entrepreneurship teaching team with the “1999 Irwin McGraw-Hill Innovation in Entrepreneurship Pedagogy Award.” This award was given to Stanford University in 1998, and included among the 17 other 1999 applicants were Harvard University, and Vaxjo University in Sweden.

Further external validation was received in a number of ways:

1. ICVE’s expert assistance via the Internet was featured as one of four Good Practice Examples in a paper by Dr. Jerome A. Katz, “DISTANCE CONSULTING: Potentials and Pitfalls in Using the Internet to Deliver Business Development Services to SMEs”.
2. A panel from ICVE was invited to make a presentation to the Prime Minister’s Task Force on Entrepreneurship outlining the UVic model of entrepreneurship. We were consequently invited to follow up the verbal presentation with a written submission.
3. Our research was accepted for publication by a number of top-rated international management journals. These include the following articles:
 - Mitchell, R.K., Smith, J.B., Seawright, K.W., Morse, E.A. Cross-cultural cognitions and the venture creation decision. Status: In press (expected October, 2000 Issue: 43(5)) - Academy of Management Journal Special Edition on International Entrepreneurship (Accepted October 29, 1999).
 - Morse, E.A., Mitchell, R.K., Smith, J.B., Seawright, K.W., Cultural values and venture cognitions on the Pacific Rim. Status: In press - Global Focus (formerly Business and the Contemporary World) volume 11(4), December 1999.
 - Agle, B.R., & Mitchell, R.K., Sonnenfeld, J.A. Who matters to CEOs? An investigation of stakeholder attributes and salience, corporate performance, and CEO



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values. *Academy of Management Journal* Special Edition on Stakeholder Theory: 42(5) October, 1999: 507-525.

In addition, the following papers and presentations were made:

- Mitchell, R. K., Robinson, P. (Symposium) Modeling of Entrepreneurial Development. The Canadian Council for Small Business and Entrepreneurship (CCSBE) 16th Annual Conference, November 11-13, 1999, Banff, Alberta.
- Mitchell, R., Morse, E., Smith, B., Seawright, K., McKenzie, B. Entrepreneurs: Born or Made? Characteristics v. cognitive theories of new venture creation. The Canadian Council for Small Business and Entrepreneurship (CCSBE) 16th Annual Conference, November 11-13, 1999, Banff, Alberta.
- Mitchell, R. K. Information sharing and sustainable economic development: Keynote Address, Info-Sharing Conference, Indian and Northern Affairs Canada, October 13, 1999, North Vancouver, BC.
- Morse, E. A., Mitchell, R. K., Keng, K. The importance of an accepted venture analysis standard. ShenZen High Technology Fair Open Forum on Capital Markets and Technology Development, ShenZen, PRC, October 8, 1999.
- Mitchell, R. K., Morse, E. A. Toward a generally accepted venture analysis standard. First West Lake International Conference on Small and Medium Business, China Technology University, Hangzhou, PRC, October 6, 1999.
- Mitchell, R. K., Morse, E. A., McKenzie, B. Innovation in entrepreneurship education: Internet delivery of expert assistance tools. Academy of Management New Faculty Consortium, August 7, 1999, Chicago, Ill.
- McKenzie, B., Mitchell, R., Smith, B., Morse, E. Innovation in entrepreneurship pedagogy award recipient presentation. Academy of Management, August 7, 1999, Chicago, Ill.
- Gaglio, C.M., Mitchell, R. K. Workshop on developing entrepreneurship portfolios. Academy of Management, August 7, 1999, Chicago, Ill.
- Mitchell, R. Transaction cognition entrepreneurship theory, and issues of poverty, privatisation and wealth-creation: The case of 1st Nations Aboriginal Economic Development in N.W. British Columbia, A series of 1999 lectures presented to native leaders and advisors April 7-8, Victoria, BC; April 21-22, Prince Rupert, BC; May 13-14, Victoria, BC; and July 5-6, Kamloops, BC.
- Agle, B. R., Donaldson, T., Freeman, E., Logsdon, J.M., Mitchell, R.K., Phillips, R. Symposium on stakeholder legitimacy. IABS, June 25, 1999, Paris, France.



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- Mitchell, R, Smith, B., McKenzie, B. The future of entrepreneurship education in Canada: A presentation to the Prime Minister's Task Force on Youth Entrepreneurship, Hon. Steven Mahoney, Chair, Vancouver, BC, 1999.

And the following research award was received:

- Winner, 1999 Best Article Award sponsored by the *California Management Review*, and presented by the International Association for Business and Society (IABS) at the 1999 Annual Meeting, Paris, France, June, 1999: for the article "Toward a Theory of Stakeholder Identification and Salience: Defining the Principle of Who and What Really Counts," *Academy of Management Review*, October, 1997. Presented to the authors: Ronald K. Mitchell, University of Victoria, Bradley R. Agle and Donna J. Wood, University of Pittsburgh.
4. Many invitations were accepted to speak at academic and business venues in Europe, China, Thailand, Taiwan and the USA, and also to provide entrepreneurship education to a number of visiting international delegations of government economists, management officials and youth. Dr. Mitchell represented us at the annual meetings of the International Association for Business and Society at Paris, France and the Canadian Council for Small Business and Entrepreneurship at Banff, Alberta. Drs. Mitchell and Morse also spoke to a number of local business groups and community organizations throughout the year.
 5. For the third year in a row, we ran a successful week-long Entrepreneurship Educators Workshop for high school teachers and community development workers and successfully shared our model of entrepreneurship to attendees from throughout the province. An online curriculum for Entrepreneurship 12 has been developed by Dr. Morse and Mr. Mainprize to supplement the provincial curriculum and beta testing and refinement continued.
 6. We continued to produce the Academy of Management's Entrepreneurship Division Newsletter, with Dr. Mitchell as Editor and Mr. McKenzie as Associate Editor.
 7. The role of Canadian Youth Business Foundation Coordinator was ably filled by Mr. McKenzie. Mr. Pat Aldred took over this role when Mr. McKenzie accepted a visiting lecturer position at Worcester Polytechnic Institute in September.
 8. We hosted a number of visiting scholars from China and India who were keenly interested in our model of entrepreneurship.
 9. We established a good working relationship with the Capital Regional District's Waste Diversion Committee, which sponsored a \$10,000 project with our summer program students to develop business ideas that would divert waste from Hartland Landfill.
 10. Dr. Mitchell began meaningful discussions with leaders in the First Nations regarding entrepreneurship education and economic security. Some representatives of the Skeena Native Development Society were able to sit in on summer program classes, as well.



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11. The "Copeland Committee" was struck, under the leadership of Clare Copeland, to provide advice to ICVE regarding media relations and achieving our short and long term objectives.

Within the Faculty of Business, ICVE continued to contribute to the multi-faceted presence of the school on campus:

1. In addition to the Summer Entrepreneurship Program (which had a record enrollment of 64 in 1999, including 11 MBA students), we also took responsibility for other classes, including COM 205 and TRM 402. The latter was especially interesting to ICVE as it provided the opportunity to host the second annual national conference on youth entrepreneurship, Enterprise Edge.
2. Under Dr. Morse's supervision, ICVE became responsible for administering the MBA Consulting Projects, wherein clients from the local business community access the expertise of our MBA students to obtain research pertinent to their businesses.
3. Dr. Mitchell oversaw the new Summer Institute of Business Management endeavor which Dr. Kenneth Keng brought to the Faculty of Business. Fifty students from Taiwan and Hong Kong stayed on campus for six weeks and received English language and business management instruction, including an entrepreneurship module delivered by the ICVE team. Dr. Keng also hosted a week-long Agriculture Industry Management Workshop for 21 officials from the Chinese district of Changchun, for which we were pleased to provide entrepreneurship instruction.
4. We continued our community development thrust by providing three separate six-week-long courses in entrepreneurship to students of the Sea to Self-Employment Assistance Program, in partnership with the Coastal Enterprise and Resource Centre (formerly Island Streams). The purpose of this program is to teach underemployed fishers how to start their own businesses. Many Faculty members were able to take part in teaching various modules of this program.
5. Drs. Mitchell and Morse presented a Brown Bag Research Lunch Lecture to the Faculty on the transaction-cognition entrepreneurship theory. Various presentations were also made at other events, such as Student Orientation Sessions, etc.
6. The model of entrepreneurship which is taught in our Summer Entrepreneurship Program was presented to the Faculty of Business Board of Advisors by Drs. Mitchell, Morse and Smith. They were also able to report on receiving the Innovation in Entrepreneurship Pedagogy Award at Chicago, Illinois.
7. Concerted efforts were made to further strengthen intra-campus connections between the Summer Entrepreneurship Program and the Faculty of Law's Business Law Clinic, the Faculty of Engineering., the English Language Centre and the office of the Innovation Development Centre.
8. Dr. Mitchell developed an ongoing relationship with Peter and Rita Thomas, who have generously provided \$20,000 to use as prize money for the Innovation Project, part of the Summer Entrepreneurship Program.



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2000: In the curriculum development field, one highlight of this report period was the news that the University of Victoria Faculty of Business Entrepreneurship Program Teaching Team had won the USASBE Model Undergraduate Entrepreneurship Program Award, presented at the US Association for Small Business and Entrepreneurship Annual Meeting, in San Antonio, TX, in February, 2000. This was a remarkable achievement given that this is an American association and the competition is stiff.

Also in the curriculum development arena, ICVE began discussions with ICEducation, a company which specializes in putting curriculum material and resources on the Internet for distance learning opportunities. We also formed strategic alliances with the Faculties of Business at Brock University and Dalhousie University, as well as locally with Royal Roads, to disseminate information about our unique pedagogy and our expert assistance software and other tools.

Due to continued interest among MBA students in attending the summer undergraduate entrepreneurship program, we began planning the curriculum for an MBA specialization in entrepreneurship to be offered in the Fall of 2001.

We once again hosted high school teachers for a one week workshop on delivering the provincial Entrepreneurship 12 curriculum effectively. We also assisted a curriculum designer with a K-3 entrepreneurship curriculum. Drs. Mitchell, Morse and Smith also taught the entrepreneurship module in the Summer Institute again.

We provided support to the Faculty of Business by 1) continuing to provide administrative services for the MBA Consulting Projects, 2) providing a faculty advisor (Dr. Eric Morse) for the Association of Collegiate Entrepreneurs student club on campus, and 3) using the Summer Entrepreneurship Program as the test case for the introduction of Blackboard to the classroom. Brian McKenzie served as Blackboard Administrator and helped faculty and staff prepare for its roll-out faculty-wide in September.

The Summer Program witnessed other successful innovations and collaborations in 2000:

1. Traditionally the program kicks off with the Innovation Project, where student groups are tasked with seeing who can make the most money in 10 days with only \$5 for an initial investment. The winners of that contest received the Peter Thomas Award. This year we were pleased that Mr. Thomas could attend the awards ceremony and personally congratulate the winners and address the class. The highlight of this event was the hospitality shown us on an evening cruise on the Thomas Spirit.
2. In a mutually beneficial partnership, our students worked with students from the Faculty of Engineering to develop business strategies for computer games development.
3. Following on the successful alliance with the Capital Regional District's Waste Diversion Committee in 1999, the summer students in 2000 also looked for innovative ways to divert waste from the Hartland Landfill and create business opportunities in the process.



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4. The program culminated with another successful two-day Venture Capital Forum, with students presenting their business ideas to panelists from the venture capital, finance and investment communities.

Dr. Mitchell continued his involvement with the First Nations Think Tank on continuing education and economic development. He also began work on a Chinese MBA textbook on entrepreneurship which will use both western and Asian business cases, and will be co-written with scholars at Peking University in Beijing.

The Faculty of Business distinguished itself in 2000 when it was determined it has the highest published research record per capita of any university in Canada. This is exceptional because most of this research is in the top notch academic journals. As part of that record, ICVE's research agenda is an ambitious one which continues to elaborate the "information processing/expertise paradigm" of entrepreneurship. In June of 2000, our Research Director Dr. Ron Mitchell was honored by the Faculty when he was named Winspear Chair in Public Policy and Business, a six year appointment. ICVE began providing assistance to Dr. Mitchell as he planned for one of the major initiatives as Winspear Chair, holding an international Winspear Cognitions Conference in the summer of 2002. ICVE collaborated with Dr. Patricia McDougall on this and other international entrepreneurship research matters. Dr. Mitchell has also been honoured with a joint appointment in the Department of Strategy and Public Policy of the Guanghua School of Management at Peking University, in Beijing, PRC.

During 2000, a number of articles were published, including:

- Mitchell, R.K., Smith, J.B., Seawright, K.W., Morse, E.A. (2000). Cross-cultural cognitions and the venture creation decision. *Academy of Management Journal* 43(5) October, 2000: 974-993.
- Agle, Bradley R., Mitchell, Ronald K., Sonnenfeld, Jeffrey A. (2000). A report on stakeholder attributes and salience, corporate performance, and CEO values. In Jeanne M. Logsdon, Donna J. Wood, and Lee E. Benson (Eds.) *Research in Stakeholder Theory, 1997-1998: The Sloan Foundation Minigrant Project*: 39-54. Toronto: Clarkson Centre for Business Ethics, University of Toronto.

These presentations were also made:

- Mitchell, R. K. The practical application of Transaction Cognition Theory: Entrepreneurial technology and its applications. Invited Lecture, Guanghua School of Management, Peking University, Beijing, PRC, October 19, 2000.
- Agle, B. A., Li, Q., Mitchell, R. K. The importance of trust to economic wealth. Invited Lecture, Guanghua School of Management, Peking University, Beijing, PRC, October 18, 2000.
- Mitchell, R. K. A Transaction Cognition Theory focus on the creation of markets: A comparative analysis of cases from China and Russia. Invited Lecture, Guanghua School of Management, Peking University, Beijing, PRC, October 17, 2000.
- Mitchell, R. K. Award-winning methods for understanding and teaching advanced economic concepts and entrepreneurship—The UVic model. Invited Lecture, Guanghua School of Management, Peking University, Beijing, PRC, October 16, 2000.



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- Seawright, K. K., Mitchell, R. K., Zhang, Y., Onstadt, J. The venture creation decision: Managers v. Entrepreneurs. Paper presented at the NIBES (Network of International Business and Economics Schools) Conference, Dalian, PRC, October 12-15, 2000.
- Mitchell, R. K. A seminal approach to entrepreneurship education, Entrepreneur Educators' Workshop, International Centre for Venture Expertise, University of Victoria, August 21, 2000.
- McKenzie, B., Mitchell, R. K., Morse, E. A., Smith J. B., Advances in the portfolio method of teaching entrepreneurship, In, "Lessons we have learned: A review of past innovations in pedagogy award winners," Connie Marie Gaglio, Chair: Academy of Management Annual Meeting, August 5, 2000, Toronto, Ontario. (Included in: Stewart, A., Byers, T., McKenzie, B., Mitchell, R., Morse, E., Smith, B. Lessons learned from previous innovation winners. Academy of Management Annual Meeting, Toronto, Ont., August 5, 2000.)
- Mitchell, R. K. The multi-level implications of Transaction Cognition Theory, Winspear Colloquium convened by Professor Patricia P. McDougall, UVic Winspear Fellow, Spring, 2000.
- Mitchell, R. K., and Morse, E. A. Developing Market Economies: The Aboriginal Case in Northwest British Columbia, Innocom Conference, University of Calgary, April 27, 2000.

In 2000, concerted efforts were made to further strengthen intra-campus connections between ICVE and the Summer Entrepreneurship Program and the Faculty of Law's Business Law Clinic, the department of Continuing Studies, the Faculty of Engineering., the Indigenous Governance Programs Dept. of the Faculty of Human and Social Development, the Development Office and the office of the Innovation Development Corporation. As well, Dr. Mitchell served on the campus-wide committee struck to revise the outdated UVic Intellectual Property Policy. Dr. Morse continued to serve as faculty advisor to the ACE club. The ICVE Society Board of Directors welcomed Mr. Woody Hayes to the Board for a two year term.

2001: In the spring of this year, we delivered our sixth and final six-week-long course in entrepreneurship to students of the Sea to Self-Employment Assistance Program, in partnership with the Coastal Enterprise and Resource Centre. This program was unusually successful, with 80% of our students starting new ventures, and 12% having taken employment or going on to further their education or training. The program was highly regarded by the many faculty members who taught in the various modules of this endeavor since 1997. Unfortunately, the Human Resource Centres of Canada funding for displaced fishers ended in the spring of 2001 and so the program was no longer viable. However, we are encouraged by the results of this proven model and are constantly seeking opportunities to offer it again to other sectors.

This past year we established three new outreach programs targeted to vastly different audiences. The first was the UVic Venture Forum, which is a partnership between the ICVE, Raymond James, KPMG, VIATeC, local VC firm John Simmons Inc. and local legal firm Jones Emery Hargreaves Swan. The purpose of the forum is to increase the sophistication of local angel investors and to provide a venue for local entrepreneurial companies to pitch their investment deals. We held our first event in May of 2001. The second program sponsored by the ICVE was an IEMBA class in entrepreneurship. The idea was to provide a class in corporate entrepreneurship to IEMBA Programs throughout the world. These programs would



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send their classes to Victoria for an intense two or three week class. The first intake in August 2001 was very successful and we hope to partner with more universities to make this an ongoing program. The third program offered in the past year was a Post-Doctoral in Entrepreneurship. The program invited visiting scholars to Victoria to take a doctoral level seminar in Transaction Cognition Theory and become active participants in the MBA Entrepreneurship Specialty Program. We had five participants and again, the program was well received. We hope to make this an annual program as well.

Many of our other initiatives continued, including Dr. Mitchell's work with the First Nations Think Tank. We also formally assumed responsibility for the promotion and facilitation of the International Summer Institute for Business Management from Executive Programs, and Dr. Morse traveled to Asia to market that program, as well as the IEMBA and Post-doctoral Programs.

Throughout 2001, we were able to provide training in the use of cutting-edge expert assistance tools for venture evaluation to a number of groups and individuals, including the Industrial Research Assistance Program. We continue to be involved in the work to establish a recognized global standard for such evaluation.

For our research endeavors, this was an exciting year as we began to receive papers in response to our call for a special issue of the well-respected journal, *Entrepreneurship Theory & Practice* on "Information Processing & Entrepreneurial Cognition" (see call ET&P, 25(2): 108), which we are co-editing. By the end of the year, it became apparent that we had received enough publishable material for two issues. In the summer of 2002 we will host an invited conference on the same topic. As well, research publications included:

- Wang, W. J., Tang, B. Y., Mitchell, R. K. (2001). Identification of small business by innovation types (Published in Chinese; direct Chinese translation: Innovation types of small business and its identification). *Journal of Natural Science of Heilongjiang University*, 18(4) December, 2001.
- Mitchell, R. K. (2001). Transaction cognition theory and high performance economic results (First Edition). A research monograph summarizing the development of transaction cognition theory at multiple levels of analysis. International Centre for Venture Expertise, University of Victoria.

A number of other papers were under review in 2001 with *Strategic Management Journal*, *Entrepreneurship Theory and Practice* and *Journal of Business Venturing*.

Presentations this year were made as follows:

- Mitchell, R. K., Keng K., and Li A. 21st Century venture capital: Preparing companies for the new global economy. Sponsored by the ICVE, the Winspear Research Endowment, the Venture Capital Association of Beijing, and the Ministry of Science and Technology of the PRC, October 27-28, 2001, Beijing PRC.
- Mitchell, R. K., Morse, E. A., Sharma, P. Transaction cognitions and high performance family business: What are those employees thinking? Presented September 27, 2001,



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- University of Alberta, Edmonton, Alberta, Canada at “Theories of the Family Enterprise: Establishing a Paradigm for the Field” Invited Conference on Family Business sponsored by the Universities of Calgary, Edmonton, and Pennsylvania (Wharton Business School).
- Norris F. Krueger Jr. & Ron K. Mitchell, Connie Marie Gaglio, Dean Shepherd, Robert A. Baron (2001). Thinking Entrepreneurially? Understanding the opportunities (and pitfalls) of research in entrepreneurial cognition. Academy of Management Annual Meeting, Washington, D.C., August 5, 2001.
 - Kenneth C. Robinson, & Hofer, C., Mitchell, R. K., Shrader, R. C., Wiklund, J., Zacharakis, A. (2001) Award winning dissertations in the field of entrepreneurship: A discussion of the (1) Key findings and contributions, and (2) Publication experiences and recommendations of recent Heizer and NFIB/ETP doctoral dissertation award winners. Academy of Management Annual Meeting, Washington, D.C., August 5, 2001.
 - Robinson, Peter B., Mitchell, Ronald K. Behind the research: Metatheoretical foundations in entrepreneurship research. 2001 Taipei 46th ICSB World Conference, June 17-20, Taipei, Taiwan.
 - Wang WenJie, Tang, Bing Yong, Mitchell, Ronald K. Identification of the types of technology innovation in small business. International Management Conference, Xian, PRC, 2001.
 - Mitchell, R. K., Mitchell J. R. Entrepreneurial technology, a new paradigm for understanding and teaching advanced economic concepts: the award-winning UVic model of entrepreneurship. Invited lecture: Plekhanov Russian Academy of Economics, Moscow, Russia, June 6, 2001.
 - Mitchell, R. K. A transaction cognition theory of global entrepreneurship. Graduate and Postgraduate Seminar: Plekhanov Russian Academy of Economics, Moscow, Russia, June 5, 2001.
 - Mitchell, R. K. Property rights and capital formation. Invited lecture: First Nations Wealth Building Think Tank, April 24, 2001, Four Seasons Hotel, Vancouver, BC.
 - Mitchell, R. K. Toward a Global Venture Analysis Standard. Venture Capital Evaluation and Training Conference, sponsored by Circum-Bohai Sea Venture Capital Management Co., Ltd., March 25, 2001, Interotel, Tianjin, PRC.
 - McKenzie, B., Mitchell, R.K., Morse, E.A., Smith, B. The UVic Model: Presentation of the award-winning USASBE undergraduate program model, USASBE Annual Meeting, Orlando, Fla., February, 2001.

In the fall of 2001, we delivered the first MBA Entrepreneurship Specialty Concentration, a three-course module delivered as a full-immersion program similar to the undergraduate summer program model. This will be a permanent calendar offering going forward.

The ICVE began work on two large research and development initiatives within the domain of global entrepreneurship during 2001. The first initiative is a call for a 10-year human economic literacy project (HELP), and the second, a call for a 3-year initiative that results in the formation of a committee for globally certified venture analysis standards (GCVAS). The Vision Statements for these initiatives, as developed by Dr. Mitchell, the Winspear Chair in Public Policy and Business (UVic), are attached.



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We believe research in the field of entrepreneurship, and especially in the cognitive approach to entrepreneurship, has developed sufficiently to suggest the viability of these proposals. There are preliminary indications from leading academic institutions in Canada, China, and Russia, from the Wayne Brown Institute in the USA, and from representatives of the UN, that global institutions are inclined to support these initiatives and are willing to work together in helping them to succeed.

The ICVE formally supports these initiatives, and wishes to call upon all interested parties worldwide to join in this support. Together we can help to make human economic literacy and global venture analysis standards a reality over the long term.

This year we also supported student initiatives. Dr. Morse continued his long-standing association with the ACE club and Dr. Brock Smith served on the board of the Greater Victoria Entrepreneurs' Challenge, a broad-based local business plan competition.

2002: This year began with a visit from a delegation from the Plekhanov Russian Academy of Economics to discuss distance education and opportunities for further collaboration. We also facilitated meetings with the Institute of Chartered Accountants of British Columbia for this group.

Dr. Morse once again went to Asia and marketed the Summer Institute and IEMBA programs and oversaw their delivery.

We held another successful UVic Venture Forum with our community partners with fifty investors and sponsors in attendance.

We organized and held The 2002 Victoria Conference on Information Processing and Entrepreneurial Cognition on July 17 – 19, 2002, and were pleased to have 40 attendees at Dunsmuir Lodge for this event. Keynote address was delivered by Saras Sarasvathy. We appreciate the support received from the The Francis G. Winspear Endowment, The Office of the VP Research, at the University of Victoria, Indiana University Kelley School of Business, and Entrepreneurship Theory & Practice Journal in enabling this conference to take place.

The research agenda was furthered in 2002 with these publications:

- Mitchell, R. K., Morse, E. A., Sharma, P. (forthcoming 2003). The transacting cognitions of non-family employees in the family business setting. *Journal of Business Venturing Special Issue on Family Business*; accepted January 15, 2002 for publication in 2003.
- Danov, Michael A., Smith, J. Brock, Mitchell, Ronald K. Relationship management for technology commercialization. Submitted February 27, 2002 to the *Journal of Marketing Theory & Practice* special issue on marketing high technology products and innovations. Accepted November 16, 2002 for publication in 2003.
- Mitchell, R. K. A transaction cognition theory of global entrepreneurship. In J.A. Katz and D. Shepherd, *JAI Entrepreneurship Series, Vol. 7: Entrepreneurial Cognition*; accepted May 2002 for publication in 2003.
- Mitchell, R. K. (forthcoming in the 2002 Proceedings). Stakeholders of the world unite: Assessing progress on the path toward a stakeholder theory of the firm. *Proceedings of the*

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2002 Annual Meeting of the International Association for Business and Society Victoria, BC: June 2002.

- Mitchell, R. K., Su, C., Sirghy, M. J. (2002). Do us all a favor: Examining the theoretical essentials of effective Guanxi in China. Presented to the Annual Meeting of the International Association for Business and Society, Victoria BC, June 29, 2002, and forthcoming in the conference proceedings.
- Mitchell, R. K., Busenitz, L., Lant, T., McDougall, P.P, Morse, E. A., Smith, B. (2002). Toward a theory of entrepreneurial cognition: Rethinking the people side of entrepreneurship research. *Entrepreneurship Theory & Practice*; Winter 2002.
- Mitchell, R.K., Smith, J.B, Morse, E.A., Seawright, K.W., Peredo, A-M, McKenzie, B. Are entrepreneurial cognitions universal? Assessing entrepreneurial cognitions across cultures. *Entrepreneurship Theory & Practice* Summer, 2002: 9-32.
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- Mainprize, B., Hindle, K., Smith, B., Mitchell, R. K., (2002). Toward the standardization of venture capital investment evaluation: Decision criteria for rating investee business plans. Accepted for publication in full, *Frontiers in Entrepreneurship Research*, October 18, 2002.
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Presentations included:

- Mitchell, R.K., Morse, E.A., Smith, J. B. Toward a global venture analysis standard. Presented at the CCSBE annual meeting held in Halifax, N.S., November 2002.
- Mitchell, R. K. The UVic model of entrepreneurship: Global entrepreneurship in the Taiwan setting. Presented at the September Conference of the Lin Ho Institute on the New Taiwan Economy, September 21, 2002 at the Taiwan Institute of Banking and Finance, Taipei, Taiwan.
- Mitchell, R. K. Out of my mind: The entrepreneurial cognition perspective of Francis G. Winspear. Presented at the 2002 University of Victoria Conference on Information Processing and Entrepreneurial cognition, July 18, 2002, Dunsmuir Lodge.
- Mitchell, R. K. The development of entrepreneurial cognition research: An editor's perspective. Presented at the 2002 University of Victoria Conference on Information Processing and Entrepreneurial cognition, July 18, 2002, Dunsmuir Lodge.
- Li Q., Mitchell, R. K., Agle, B. R. Dealing with corruption in China: Theoretical insights from corporate social performance and business ethics literature. Presented to the Annual



5-year Review

Meeting of the International Association for Business and Society, Victoria BC, June 29, 2002.

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2003: Looking ahead, ICVE is:

- organizing the Summer Institute and IEMBA Programs for Summer 2003;
- assisting in the delivery of Strategic Leadership Modules to PSERC;
- continuation of the UVic Venture Forum;
- organizing the 20th Annual Canadian Congress of Small Business and Entrepreneurship Conference for November 6-8, 2003.

Conclusion

This look back at the first five years in the establishment and growth of the International Centre for Venture Expertise has provided us with an opportunity for reflection on what we have accomplished thus far. While we are pleased that our efforts in research and pedagogy have garnered international attention, and our community initiatives have enabled the UVic Faculty of Business to make a positive impact locally and internationally, we acknowledge that there is still much to be done.

We look forward to expanding our endeavors to enhance the economic security of those in our Bachelor of Commerce and MBA Programs, our community outreach programs (such as Sea to SEA and EEW), First Nations communities throughout Canada, and other sectors throughout the world where we have been privileged to share our knowledge of entrepreneurship expertise. We see the need to continually upgrade our offerings via the Internet, and look forward to exciting new partnerships that will enable us to do so. We welcome the opportunity to engage in even more collaborative efforts with international partners as we pursue excellence in entrepreneurship research.

The International Centre for Venture Expertise is poised to do so much more as time and resources allow. We invite you to join us in the exciting pursuit and welcome your input as to how we may better serve our stakeholder communities.



5-year Review

VISION STATEMENT

Economic Literacy and the United Nations Global Compact

Ronald K. Mitchell, CPA, Ph.D., Associate Professor

Winspear Chair in Public Policy and Business

University of Victoria, February 2001

It has been said that the greatest discovery of our modern age is that “we become what we think about” (William James, 1890). With well over half of the world’s people living in circumstances of economic disadvantage, especially within the third and fourth economic tiers, the time has come to ask: What are we thinking about?

We can only think about what we have somehow learned. Therefore, according to the above logic, economic disadvantage results from a lack of economic literacy. Recent applications of Nobel Prize winning scholarship (Arrow, 1972; Simon, 1978; Coase, 1991) in an award-winning program at the University of Victoria identify and teach three universal subsets of knowledge that form the creative forces that are at the foundation of global economic literacy: planning, promise, and competition cognitions. Transaction Cognition Theory—an approach to the achievement of high performance economic results through accurate economic thought—proposes that those who possess these three universal subsets of knowledge are economically literate, and are therefore able to enact successful new transactions anywhere on the globe, regardless of culture or political system.

I believe that the time has come to call upon the world to undertake human economic literacy as a new initiative. Let us, by the year 2011, through a project founded upon the principles of human economic literacy, map a path such that the UN Global Compact truly does “reconcile the creative forces of private entrepreneurship with the needs of the disadvantaged and the requirements of future generations” (Kofi Annan, 1999).

The Human Economic Literacy Project (HELP) initiative would accelerate research and application, and develop processes and technology that—over the term of this 10-year project—could make possible within our lifetime the elimination of widespread economic illiteracy. Upon a foundation of economic literacy, high performance economic results—as uniquely defined within nations and cultures—can become a reality for the majority of the people of the world.



5-year Review

VISION STATEMENT

GLOBAL COMMITTEE FOR VENTURE ANALYSIS STANDARDS: 2004

Ronald K. Mitchell, CPA, Ph.D., Associate Professor

Winspear Chair in Public Policy and Business

University of Victoria, February 2001

Effective capital formation is at the root of advanced economic results. Yet new ventures have the most difficulty raising capital because of the complexity inherent in the evaluation of any new business. To access the most sophisticated capital markets, the capital structure of businesses must be refined to be clearly understandable to investors. For example, securities regulating agencies require standardized analysis and reporting of certain financial aspects of businesses that qualify for registration under applicable regulations. Thus, for example, accounting and auditing principles and standards have been developed and agreed upon within given jurisdictions, and efforts at global accounting standards are well along in development.

It therefore seems logical to suggest that standardization efforts be expanded to include earlier stages of the capital formation process. Recent research demonstrates that a foundation exists for the identification of attributes that are common to new business. Pilot projects in North America using a set of demonstration standards have confirmed that such an assessment approach is possible and effective.

I believe that it is now time to call upon the economic leaders within key world economies to undertake a 3-year initiative that will result in the formation of the Global Committee for Venture Analysis Standards. This committee would consist of representatives from key economies, and would set as its objective the dramatic reduction in new venture failure through the development, testing, and promulgation of global venture analysis standards.

It appears likely to me that the results of this initiative will be far-reaching, and will dramatically enhance the effectiveness of capital formation wherever they are applied. I enthusiastically invite all interested parties to participate both intellectually and financially to the extent possible given local circumstances. Together, we can make a remarkable contribution to the economic well being of the global community.